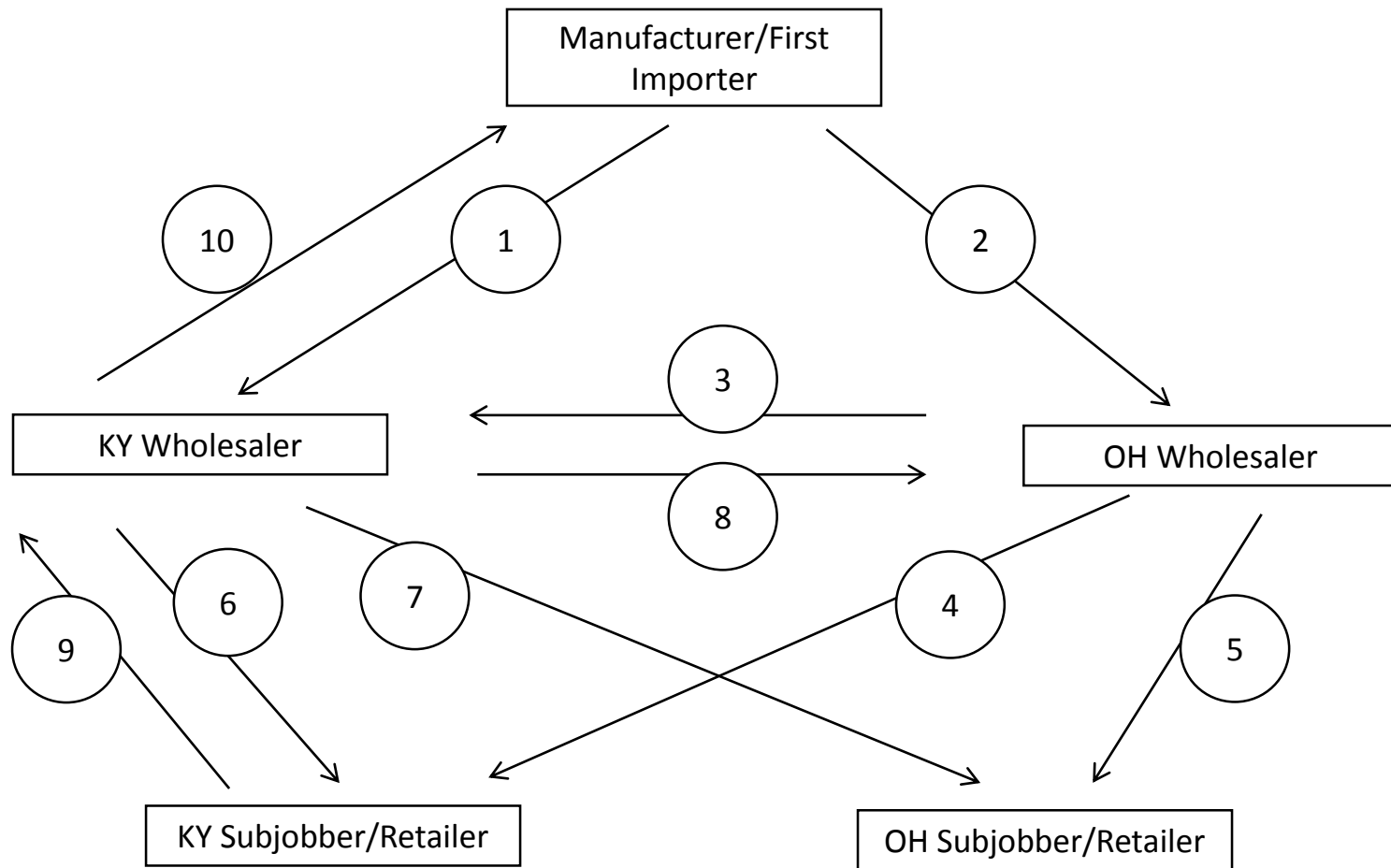


Cigarette Transaction Flowchart



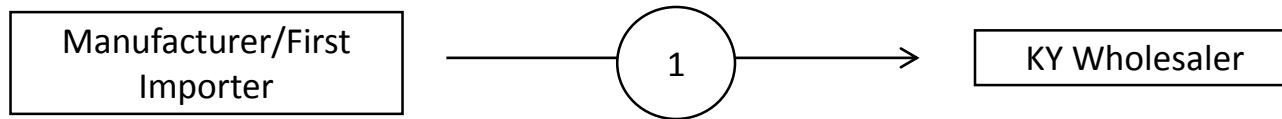
Please note: the Ohio reference is for illustration purposes as Ohio adopts the FTA Uniformity Standards and electronic filing.

KY Cigarette Schedule Codes

The following table provides codes for reporting schedules for receipts and disbursements of cigarettes

Code	Description
1A	Cigarettes received from a manufacturer or first importer
1B	Cigarettes received from a person other than a manufacturer or first importer, (e.g., a wholesaler, distributor, or other licensee)
1C	Cigarettes received from a retailer or end user
1D	Cigarettes received by a manufacturer or first importer from a person other than a manufacturer or first importer
2A	Cigarettes disbursed by a manufacturer or first importer
2B	Cigarettes disbursed to a person other than a manufacturer or first importer, (e.g., a wholesaler, distributor, or other licensee)
2C	Cigarettes disbursed to a retailer or end user
2D	Cigarettes returned to the manufacturer

Transaction 1



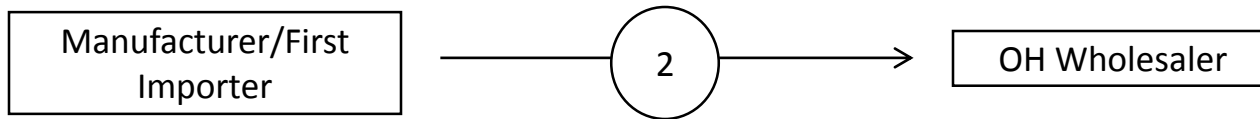
Cig Manufacturer/First Importer Sold Unstamped Cigarettes to Kentucky Wholesaler

Reporting:

Cig Manufacturer/First Importer – Schedule 2A (PACT Act) to Commonwealth of Kentucky

Kentucky Wholesaler – Schedule 1A to Commonwealth of Kentucky

Transaction 2

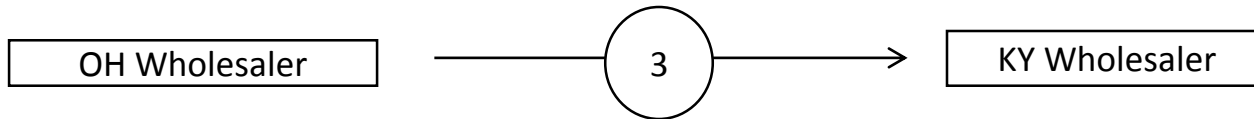


Cig Manufacturer/First Importer Sold Unstamped Cigarettes to Ohio Wholesaler.

Reporting:

Cig Manufacturer/First Importer – Schedule 2A (PACT Act) to State of Ohio
Ohio Wholesaler – Schedule 1A to State of Ohio

Transaction 3



Ohio Wholesaler Sold Cigarettes to Kentucky Wholesaler.

Reporting:

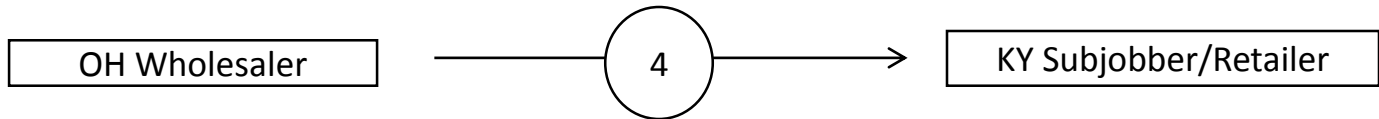
Ohio Wholesaler– Schedule 2B (PACT Act) to Commonwealth of Kentucky

Ohio Wholesaler – Schedule 2B to State of Ohio

Kentucky Wholesaler – Schedule 1B to Commonwealth of Kentucky

Kentucky Wholesaler – Schedule 1B to State of Ohio

Transaction 4



Ohio Wholesaler Sold KY Stamped Cigarettes to Kentucky Subjobber/Retailer

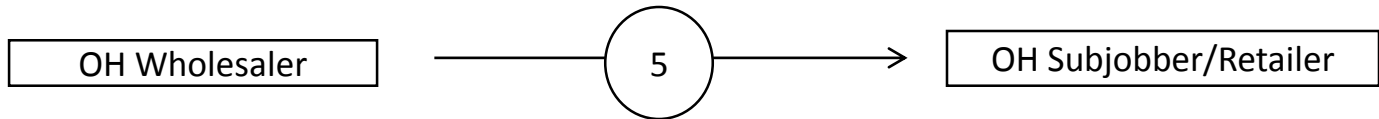
Reporting:

Kentucky Subjobber – Schedule 1B to Commonwealth of Kentucky

Ohio Wholesaler– Schedule 2C to Commonwealth of Kentucky

Ohio Wholesaler – Schedule 2C to State of Ohio

Transaction 5

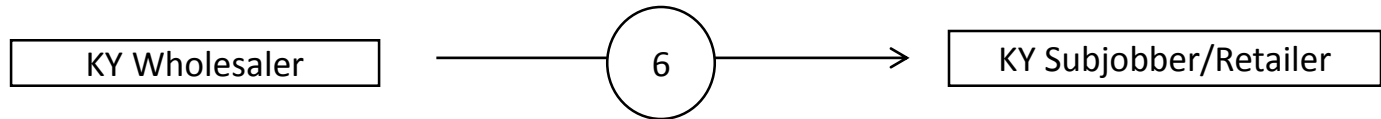


Ohio Wholesaler Sold OH stamped Cigarettes to Ohio Subjobber/Retailer

Reporting:

Ohio Wholesaler – Schedule 2C to State of Ohio

Transaction 6

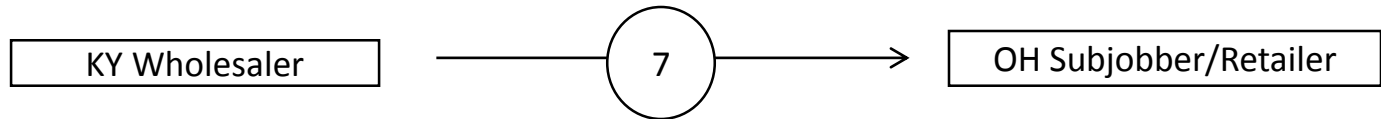


Kentucky Wholesaler Sold KY Stamped Cigarettes to Kentucky Subjobber/Retailer

Reporting:

Kentucky Wholesaler— Schedule 2C to Commonwealth of Kentucky
Kentucky Subjobber – Schedule 1B to Commonwealth of Kentucky

Transaction 7



Kentucky Wholesaler Sold OH stamped Cigarettes to Ohio Subjobber/Retailer

Reporting:

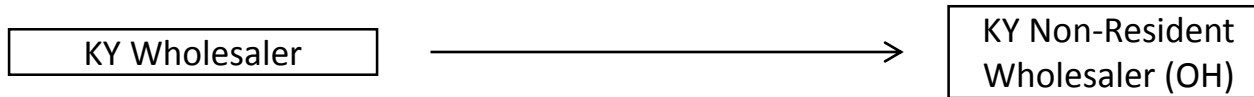
Kentucky Wholesaler – Schedule 2C to Commonwealth of Kentucky

Kentucky Wholesaler – Schedule 2C to State of Ohio

,

Transaction 8

OH Wholesaler is licensed in KY



KY Wholesalers Selling Cigarettes to KY Non-Resident Wholesaler

Reporting:

Kentucky Wholesaler – Schedule 2B to Commonwealth of Kentucky

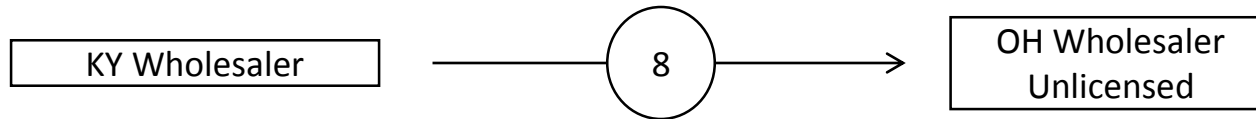
Kentucky Wholesaler – Schedule 2B to Destination State (OH)

Non-Resident Wholesaler – Schedule 1B to Commonwealth of Kentucky

Non-Resident Wholesaler – Schedule 1B to State of Ohio

Transaction 8.1

OH Wholesaler is not licensed in KY



Kentucky Wholesaler Returned Cigarettes to Ohio Wholesaler.

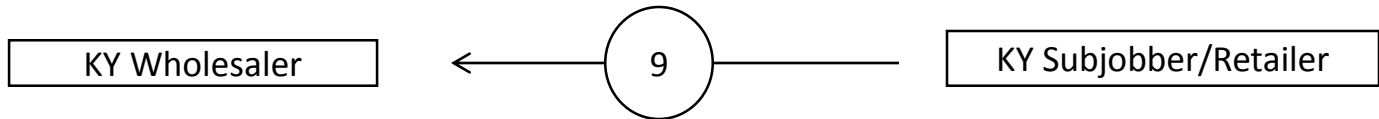
Reporting:

Ohio Wholesaler – Schedule 1B to State of Ohio

Kentucky Wholesaler – Schedule 2B to Commonwealth of Kentucky

Kentucky Wholesaler – Schedule 2B to State of Ohio

Transaction 9

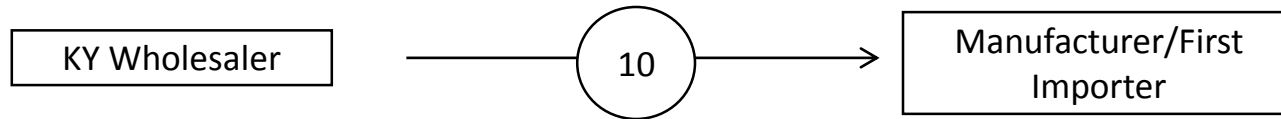


Kentucky Wholesaler Received KY Stamped Cigarettes from Kentucky Subjobber/Retailer

Reporting:

Kentucky Wholesaler— Schedule 1C to Commonwealth of Kentucky
Kentucky Subjobber – Schedule 2B to Commonwealth of Kentucky

Transaction 10



Kentucky Wholesaler Returned KY stamped, OH stamped and unstamped cigarettes to the Cig Manufacturer/First Importer.

Reporting:

Kentucky Wholesaler – Schedule 2D to Commonwealth of Kentucky

Kentucky Wholesaler – Schedule 2D to State of Ohio

Cig Manufacturer/First Importer – Schedule 1D to Commonwealth of Kentucky